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Building a Product Development Battleplan

Preparing for a Market Research Study for Strategic Software Development

2019

Author: Anna Barnett, Dana Jackson

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Are You Ready for Battle?

Market research is the key to developing a customer-centric strategy and a well-structured battle plan for an organization's product development activities. Product and marketing strategy, including specific go-to-market initiatives and plans, should focus on three basic elements: customer needs, business goals, and product design considerations. Strategies and tactical plans should include gathering secondary market intelligence and conducting primary market research in these key areas. Finally, preparing the organization for product planning includes aligning internal teams, engaging with research partners, and coordinating plans and actions among all stakeholders and partners.

Whether a company is planning to add a new product line, enhance an existing product, expand into a new market, or eliminate an unsuccessful product, this checklist will help organizations develop clear product and marketing strategies and sound tactics for going to battle.

Develop a strategy and structured plan that includes the following:

Customer Needs

☐ Defining target markets through segmentation analysis

☐ Identifying overall current and future customer needs by assessing their key business challenges and priorities as well as KPIs for current manual processes and technology adoption trends

☐ Understanding buyer and influencer behaviors and needs

☐ Determining customer needs and requirements for new products or improved features and how they would be perceived and used

Business Goals

☐ Calculating total available market (TAM), segmented addressable market (SAM), and share of the market (SOM) metrics to assess the market demand and potential opportunity for the product

☐ Assessing the competitive landscape, including strengths and weaknesses of key competitors, as well as barriers to entry

☐   Assessing organizational capabilities to sustain a competitive advantage in the market

Product Design Considerations

☐   Determining software product functionality requirements and gaps, feature prioritization, and customer product satisfaction issues

☐   Understanding competitors' product offerings, brand values, and strengths and weaknesses

☐   Determining possible sources for key differentiation for product design, sales, and/or servicing

Gather intelligence and conduct primary market research across the three focus areas from the following:

Secondary Research

This initial stage of research is a one-size-fits-all approach that can provide high-level intelligence about the market from existing available trustworthy sources in the public domain, including government, industry trade organizations, analyst reports, financial filings, and the media. Secondary research can help organizations understand the competitive landscape, including competitors' product offerings, marketing content, and other elements of their positioning and differentiation.

Custom Primary Research

This next stage of research is based on conducting custom research that provides more relevant insights specifically about the target market and specific products and feature sets from surveying current and potential buyers, influencers, and users of the product. Research methodologies can include either quantitative (typically using online surveys), or qualitative (typically using focus groups or in-depth interviews), or using a combination of both methodologies.

Primary research provides the following types of insights and models for interpreting and taking actions:

☐ Customer needs, key drivers, and segmentation to develop buyer persona models

☐ Customer purchasing behaviors and preferences to develop buyer journey models

☐ Customer satisfaction and voice of the customer research to evaluate new concepts and ideas, customize products, and increase customer retention

☐ Customer use cases and user stories for product validation and user experience designs

☐ Competitive brand usage and awareness, competitive positioning mapping (based on market perception), brand loyalty, and competitive Net Promoter Score® (NPS)

☐ Key driver and importance/performance analysis, for product/brand attribute prioritization and gap improvements

☐ Product usability, pricing, and other value perceptions to create choice models that provide insights about the decision process for product/feature preferences

Prepare the organization for product planning by aligning internal teams and stakeholders and engaging with experienced market research and product design and development partners.

Stakeholder Engagement

Involve key internal stakeholders - business executives, Product, R&D, Marketing, Engineering, and Sales - in research and product development planning. Consider their expectations, needs, feedback, and concerns, which will help to get their buy-in, allocate resources, and identify and minimize potential risks. Educate stakeholders on how to support and improve the study with their own expertise, and how to use the insights from the study for future

product development, go-to-market strategy, and customer engagement initiatives. Provide tangible evidence and actionable insights from the research to stakeholders in terms that are meaningful to them: for example, increased revenues, reduced costs, more new customers, increased sales from existing customers, or increased shareholder value.

Resource Allocation

Allocate a realistic timeframe and budget to conduct custom primary market. This could mean contracting with an external research firm with research expertise and relevant domain experience if that capability is not available internally. Consider custom or even off-the-shelf research, if available, that is in line with the research budget and time frame.

Research and Product Development Coordination

Develop and coordinate all research and product development plans and activities across internal stakeholders, which may include a product roadmap (i.e., a software development plan) that aligns with customer needs, business goals, and product considerations. Also, consider a feature development schedule and/ or a prioritization matrix for recommended product enhancements and additions. Finally, consider the preferred method for product development, which is based on a data-driven minimum viable product (MVP) and agile development approach that can bring a tested and well-received product to market more rapidly for a competitive advantage.

Market research is the basis for successful product development and planning and is key to survival in the battle for new customers, increased customer retention, market share, and revenue growth. Before developing new products or feature sets, the focus should be on determining customer needs, business goals, and specific product design considerations using research to guide those decisions.

About Levvel

Levvel is a strategic, full-service technology consultancy that knows how to conduct market research and then execute on the research findings with agile product design and development. We help clients transform their business with strategic consulting and technical execution services, working with your IT organization, product groups, and innovation teams to design and deliver on your technical priorities. We have deep expertise in application development, DevOps, cloud technology, product innovation and design, market research, and payments.

For more information, contact us at hello@levvel.io.